

FINANCE DEPARTMENT

Impact Analysis Report

OVERVIEW

The Finance Department is responsible for collecting, accounting, and monitoring the license and permit fees for Christmas tree and pumpkin patch lots, circuses, carnivals, and parades. The Department is also responsible for a number of miscellaneous fees, along with Integrated Waste Management (IWM)-related late charges.

It is estimated that the Finance Department fees and charges program for 2007-2008, excluding penalties and non-cost recovery fees, will bring revenues to the City of \$324,124, reflecting a 100% cost-recovery rate.

Late payment charges related to the Garbage Lien Program and Garbage Lien Service fees, which are not subject to cost recovery restrictions, are anticipated to generate approximately \$2.2 million in the Integrated Waste Management (IWM) Fund. The Solid Waste Delinquency Late Payment Charge increase has been approved in order to encourage customers to submit payments by the due date.

SUMMARY OF ADOPTED FEE REVISIONS

Existing Fees

For 2007-2008, changes are approved in the Finance Department's fee structure to achieve 100% cost-recovery levels. A complete list of fee revisions by service is located in the summary of approved fee changes section of this document and in the tables that follow this section.

The Finance-related fees are increasing by an average of 10.4% to maintain cost recovery levels. These include: Christmas Tree/Pumpkin Lot Licenses, Circus Permits, Handbill Distributors Fees, Business Tax Special Report Fees, Returned Check Fees, Exempt Business Tax Applications, and Solid Waste Delinquencies.

In the Solid Waste Delinquencies area, fee increases are approved for the Administrative Charges for Collection Procedure, Late Payment Charge, and Notice of Intent to Lien. The Returned Check Fee, however, is decreasing based on the estimated cost to provide the service.

DISCUSSION OF SIGNIFICANT IMPACTS

The fee revisions approved for the Finance Department are not expected to have a significant impact on the Department's customers.

NOTIFICATION

The Proposed Fees and Charges Report was released on May 4, 2007 allowing for the minimum of ten days for public review. Public input on fee proposals was heard by the City Council during public hearings held on Tuesday, May 15, 2007 and Monday, June 11, 2007 at 7:00 p.m. in the City Council Chambers.

DEPARTMENTAL FEES AND CHARGES

FINANCE

Service	2006-2007 Adopted Fee	2006-2007 % Cost Recovery	2007-2008 Adopted Fee	2007-2008 Estimated Cost	2007-2008 Estimated Revenue		2007-2008 % Cost Recovery	
					Current Fee	Adopted Fee	Current Fee	Adopted Fee
FINANCE DEPARTMENT GENERAL FEES - CATEGORY I								
1. Business Tax Special Reports								
1 Computer Printout	\$44 up to 25 pages; \$1 each additional page		\$47 up to 25 pages, \$1 each additional page					
2 Diskette/E-mail	\$44 per diskette/transmission		\$47 per diskette/transmission					
Sub-total Business Tax Special Reports		100.0%		1,410	1,320	1,410	93.6%	100.0%
2. Circus/Carnival/Parade								
1 Carnival Permit	\$250 1st week; \$25 each additional day		No Change					
2 Carnival Permit (Charitable)	\$100 1st week; \$10 each additional day		No Change					
3 Circus Advertising	\$100 bond for removal within 48 hours of last performance		No Change					
4 Circus Parade (Circus Outside of City Limits)	\$250 per day		No Change					
5 Circus Permit	\$250 1st day; \$168 each additional day		\$250 1st day; \$191 each additional day					
6 Circus Permit (Charitable)	\$100 1st day; \$50 each additional day		No Change					
7 Circus Sideshow Permit	\$12.50 each per day		No Change					
8 Circus or Carnival Permit - Sanitary Standards Bond	\$1,000 bond		No Change					
Sub-total Circus/Carnival/Parade		100.0%		23,000	22,655	23,000	98.5%	100.0%
3. Collection Agency Recovery Fee								
1 Collection Agency Recovery Fee	\$25 or 15% of the bill; whichever is higher		No Change					
Sub-total Collection Agency Recovery Fee		100.0%		200,000	200,000	200,000	100.0%	100.0%
4. Exempt Business Tax								

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					Current Fee	Adopted Fee	Current Fee	Adopted Fee
FINANCE DEPARTMENT GENERAL FEES - CATEGORY I								
4. Exempt Business Tax								
1 Exempt Business Tax Fee	\$33 per account		\$37 per account					
Sub-total Exempt Business Tax		100.0%		26,640	23,760	26,640	89.2%	100.0%
5. Handbill Distributors								
1 Commercial Distributor Permit	\$1 per distribution		No Change					
2 Handbill Distributors License	\$33 per year		\$38 per year					
3 Owner's Permit	\$24 per year		\$29 per year					
Sub-total Handbill Distributors		100.0%		51,858	44,118	51,858	85.1%	100.0%
6. Returned Check Fee								
1 Returned Check Fee	\$42 per returned check		\$28 per returned check					
Sub-total Returned Check Fee		100.0%		20,496	30,744	20,496	150.0%	100.0%
7. Sale of Publications								
1 Comprehensive Annual Financial Report	Actual printing and mailing costs		No Change					
2 Monthly Investment Report	Actual printing and mailing costs		No Change					
3 Single Audit (Grants)	Actual printing and mailing costs		No Change					
Sub-total Sale of Publications								
8. Sales								
1 Christmas Tree/Pumpkin License - Deposit (Refundable)	\$100 per lot		No Change					
2 Christmas Tree/Pumpkin License - Lot	\$82		\$90					
Sub-total Sales		100.0%		720	656	720	91.1%	100.0%

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Service	2006-2007 Adopted Fee	2006-2007 % Cost Recovery	2007-2008 Adopted Fee	2007-2008 Estimated Cost	2007-2008 Estimated Revenue		2007-2008 % Cost Recovery	
					Current Fee	Adopted Fee	Current Fee	Adopted Fee
FINANCE DEPARTMENT GENERAL FEES - CATEGORY I								
SUB-TOTAL FINANCE DEPARTMENT GENERAL FEES - CATEGORY I		100.0%		324,124	323,253	324,124	99.7%	100.0%
INTEGRATED WASTE MANAGEMENT LATE CHARGES - CATEGORY II								
1. Solid Waste Delinquencies								
1 Administrative Charges for Collection Procedure	\$58 per lien	100.0%	\$69 per lien	480,000	433,000	480,000	90.2%	100.0%
2 Late Payment Charge (The charge level is set to encourage customers to submit payments by due date)	\$5 or 5% of the bill, whichever is greater		\$6 or 5% of the bill, whichever is greater		830,000	1,000,000		
3 Notice of Intent to Lien (The notice is not a penalty)	\$15	100.0%	\$16	700,000	675,000	700,000	96.4%	100.0%
4 Returned Check Fee	\$42 per returned check	100.0%	\$36 per returned check	24,840	28,980	24,840	116.7%	100.0%
5 Special Assessment Charge (The charge is not a penalty)	\$5.00 per parcel		No Change	7,500	7,500	7,500	100.0%	100.0%
Sub-total Solid Waste Delinquencies		196.1%		1,212,340	1,974,480	2,212,340	162.9%	182.5%
SUB-TOTAL INTEGRATED WASTE MANAGEMENT LATE CHARGES - CATEGORY II		196.1%		1,212,340	1,974,480	2,212,340	162.9%	182.5%
TOTAL DEPARTMENT - GENERAL FUND				324,124	323,253	324,124	99.7%	100.0%
TOTAL DEPARTMENT - NON-GENERAL FUND				1,212,340	1,974,480	2,212,340	162.9%	182.5%
TOTAL DEPARTMENT - Category I				324,124	323,253	324,124	99.7%	100.0%
TOTAL DEPARTMENT - Category II				1,212,340	1,974,480	2,212,340	162.9%	182.5%
TOTAL DEPARTMENT				1,536,464	2,297,733	2,536,464	149.5%	165.1%